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	INFORMATION REPORT	CD NO.
COUNTRY	Germany (Jussian Fone)	DATE DISTR. 5 JAN 52
SUBJECT	Steel Plents in Leipzig under VVB GUS	NO. OF PAGES 2
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DATE OF INFO.		SUPPLEMENT TO REPORT NO.
U. S. C., BY ASID S OF ITS CONVENYS SILBITED BY LAY.	EMPRODUCTION OF THE FORM IS PROPRIETED.	LUATED INFORMATION
1.	Leipziger Eisen- und Stahlwerke (VEB GUS) (formerly	Lindow & Madinhard
	Leipzig W 34, GerhEllroat-Strasse.	neier & Weichelt),
	The installation of electric steel casting in the stimportant project of this enterprise for 1951. As a of the cast polishing plant, heretofore the factory is completed, the total monthly output during 1952 it tons, of which about 400 tons will be Siemens-Martin electro-steel. The present polishing facilities red by 30 per cent, but every effort is being made to el	soon as the enlargement is most serious bottleneck, as expected to reach 1,500 a steel and 1,110 tons
	The average monthly production of steel castings is yearly production is set at 9,000 tons. Of these, 4 reparations deliveries and 5 per cent are indirect e of cast iron and big iron castings is 1,000 tons; the approximately 13,000 tons, which includes production Leipzig-Malkau. The quality of these castings is bathen newly introduced thin-walled castings of cylinder SAC fit Maschinenbau (SAC Avtovelo) (formerly BMW EigfA-Zwickau (sic).* The scrap quota (Ausschussquote per cent. Pig iron constitutes 22 per cent of the invited 25 von Einsatz gattiert). The scrap iron situation in the engineer Hasenbeck, cited as an activist, who der any in 1949, has reached a monthly production of castings, thus attaining its planned production quote eipzig-Makau, which is under indifferent respectation.	700 tons, but the planned 5 per cent constitute indirect xports. The monthly output e planned yearly production if of the iron foundry at d, especially in the case of rs for Automobilfabrik der senach), Eisenach, and for its constantly about 10 mitial ingredients (Roheisen ition is expected to deterior under the able management came to the DDR from lest 400 tons of good quality
4. 7	during 1950, production of tracks for track-laying vehocouse the rejection rate was as high as 20 per cent confecture of steel castings ranges from 6 to 18 per	nicles was discontinued,
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difficulties attending the production of each piece.

- 5. Repeated efforts by the steel plant to obtain storage and crane installations from VVB ABUS have so far been unsuccessful, because the plant is not one of the 24 enterprises on the "critical" list.
- The reconstruction of the central laboratory for foundry research at Grosszschocher is expected to be completed by the end of 1951 or the beginning of 1952. The laboratory is to be under the direction of Professor Sper, who is to succeed Dr. Althoff. The Leipziger Eisen— und Stahlwerke also have a plant-operated school for foundry work for the training of foremen and technicians and in the future also of engineers, from the entire DDR.
- 7. Elektro-Stahlgusswerk Leipzig-West (VEB GUS) (formerly Max Jahn Stahl-und Eisangiesserei GmbH), Leipzig W 35, Georg-Schwarz-Strasse 181-183.

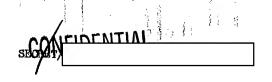
The plant produces 600 - 700 tons of electro-steel a month, or 95 per cent of its production quota, mainly castings in large pieces. The plant specializes increasingly in ships screws for Soviet ships, so that 40 to 60 per cent of its monthly production goes into indirect reparations deliveries. The polishing installations for castings constitute a principal bottleneck which reduces the production capacity of the plant by some 15 per cent. 800,000 DM have been requested for installation of equipment to eliminate the bottlenecks. Large funds are also required for vertical expansion; there is no space for expansion through the erection of educations.

3. Metallgusswerk Leipzig (VMB GUS) (formerly Metallgussgesellschaft mbH), Böhlitz-Ehrenberg, Leipzig W 35, Merseburger Landstrasse.

The plant amploys approximately 1,300 workers. It is under the direction of (fnu) Kretschmar, who also serves as technical director, while Franz Krüger serves as cultural director. Kretschmar is married, and both he and Krüger are SED-members.

Production has consisted chiefly of aluminum and magnesium form castings. The total yearly output of light metal castings amounts to approximately 2,000 - 2,500 tons. The plant was recently enlarged by the expansion of a Siemens-Martin steel foundry which, with its present two oil-burning furnaces, will be able to produce 500 tons monthly. The foundry makes an essential contribution to the raw material situation of the DDR through its manufacture of 300 tons of supplementary synthetic iron (synthetisches Zusatzeisen). This iron, made from scrap and cast-metal scrap with small additions of ferro-alloys, is used to supply the demand for crude iron; but it is not liked by the foundries because of its brittleness (low tensile strength).

Comment: There are two automobile factories at Zwickau under VVB IFA; Werk Horch, Zwickau, Crimmitschauer Strasse 67; and Werk Audi, Zwickau, Walter-Rathenau-Strasse 51.



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